

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1934 – SB 2127

March 17, 2016

SUMMARY OF BILL: Changes, from August 15 to August 31 of any year, the date by which a county legislative body, in a county that has adopted the Local Option Budgeting Law of 1993, is required to adopt a budget, property tax resolution, and appropriation resolution. Requires, if no budget is adopted, the budget for education to be equal to the budget adopted in the preceding year less any one-time federal or state money.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Currently under the Local Option Budgeting Law of 1993, if no budget is adopted, “then the portion of the consolidated budget for the county department of education agreed upon by the board of education, the county mayor, and the county budget committee on or before August 31 shall become effective by operation of law for the ensuing fiscal year” (Tenn. Code Ann. § 5-12-210).
- Based on information from the County Technical Assistance Service, only three counties are known to have adopted the Local Option Budgeting Law of 1993.
- Based on information from the Department of Education, there will be no impact on the Basic Education Program formula and the State Board of Education would retain the right to amend any budget. Any impact on the SBE can be accommodated within existing resources.
- This bill could result in a budget being adopted, including revenue and expenditures, that is greater than or less than the budget that would otherwise be adopted in the absence of this bill, any such impact cannot be reasonably determined. The overall net fiscal impact to local government is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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